THE COMMONWEALTH OF MASSACHUSETTS

OFFICE OF CONSUMER AFFAIRS AND BUSINESS REGULATION

DEPARTMENT OF TELECOMMUNICATIONS & ENERGY

ONE SOUTH STATION

BOSTON, MA 02110
(617) 305-3500

August 26, 2003

SENT BY E-Mail, and
First Class U.S. Mail

Andrew O. Kaplan
Keegan, Werlin & Pabian, LLP
21 Custom House Street
Boston, MA 02110

Re: NSTAR Electric Company, D.T.E. 03-48

Dear Mr. Kaplan:

Enclosed are information requests by the Department of Telecommunications and Energy to NSTAR Electric Company in regard to the above-captioned matter. Please submit the Company's responses to the Department by September 10, 2003.

Should you have any questions please contact me at (617) 305-3762. Thank you for your prompt attention to this matter.

Sincerely,

Jody Stiefel
Hearing Officer

Enc.
cc: Service List
Mary Cottrell, Secretary

FIRST SET OF INFORMATION REQUESTS OF
THE DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY TO
NSTAR ELECTRIC COMPANY

Pursuant to 220 C.M.R. 1.06(6)(c), the Department of Telecommunications and Energy ("Department") hereby submits to NSTAR Electric Company ("NSTAR" or "Company") the following information request(s).

INSTRUCTIONS

The following instructions apply to this set of Information Requests and all subsequent Information Requests issued by the Department to the Company in this proceeding.

1. Each request should be answered in writing on a separate, three-hole punch page with a recitation of the request, a reference to the request number, the docket number of the case and the name of the person responsible for the answer.

2. Do not wait for all answers to be completed before supplying answers. Provide the answers as they are completed.

3. These requests shall be deemed continuing so as to require further supplemental responses if the Company or its witness receives or generates additional information within the scope of these requests between the time of the original response and the close of the record in this proceeding.

4. The term "provide complete and detailed documentation" means:

   Provide all data, assumptions and calculations relied upon. Provide the source of and basis for all data and assumptions employed. Include all studies, reports and planning documents from which data, estimates or assumptions were drawn and support for how the data or assumptions were used in developing the projections or estimates. Provide and explain all supporting work-papers.

5. The term "document" is used in its broadest sense and includes, without limitation, writings, drawings, graphs, charts, photographs, phono-records, microfilm, microfiche, computer printouts, correspondence, handwritten notes, records or reports, bills,

checks, articles from journals or other sources and other data compilations from which information can be obtained and all copies of such documents that bear notations or other markings that differentiate such copies from the original.

6. If any one of these requests is ambiguous, notify the Hearing Officer so that the request may be clarified prior to the preparation of a written response.

7. Please serve a copy of the responses on Mary Cottrell, Secretary of the Department, and three copies to Jody M. Stiefel, Hearing Officer.

DTE 1-1 Throughout the 2003 Energy Efficiency Plan ("2003 Plan"), "lifetime" savings or impacts are referenced. Please confirm that "lifetime" refers to a period from (and including) 2003 through 2017. Please state the reason(s) why this 15-year period was selected and is considered appropriate and reasonable for lifetime results.

DTE 1-2 Please refer to the 2003 Plan, Appendix A, at A-2. Under the heading of "Lost Opportunity", the Benefit/Cost ("B/C") ratio of 1.12 for the Energy Star® Homes Program is one of the lower ratios in the Plan. Has NSTAR examined methods in which the B/C ratio of this program may be increased? If so, please identify these methods.

DTE 1-3 Please refer to the 2003 Plan, Appendix A, at A-2. Under the heading of "Retrofit", the B/C ratio of 1.20 for the Residential High Use Program is one of the lower ratios in the Plan. Has NSTAR examined methods in which the B/C ratio of this program may be increased? If so, please identify these methods.

DTE 1-4 Please refer to the 2003 Plan, Appendix A, at A-2. Under the heading of "Retrofit", the B/C ratio of 1.09 for the RCS/MHES Program is one of the lower ratios in the Plan. Has NSTAR examined methods in which the B/C ratio of this program may be increased? If so, please identify these methods.

DTE 1-5 Please refer to the 2003 Plan, Appendix A, at A-2. Under the heading of "Product & Services", the B/C ratio of 1.06 for the Energy Star® Appliances Program is one of the lower ratios in the Plan. Has NSTAR examined methods in which the B/C ratio of this program may be increased? If so, please identify these methods.

DTE 1-6 Please refer to the 2003 Plan at IV-17 through IV-20. Is the referenced budget for the Residential Education Program shown on lines 33a and 33b in Table 2 of Section I?

DTE 1-7 Please refer to the 2003 Plan at IV-25 - IV-26. Is the referenced budget for Research & Development shown on line 34a in Table 2 of Section I?

DTE 1-8 Please refer to the 2003 Plan at IV-48. Please confirm that the term "municipal customers" in the last paragraph refers to municipal governments, and does not refer to individual customers of municipal electric utilities.

DTE 1-9 Please refer to the 2003 Plan, Appendix A, at A-1, A-2. Please confirm that the pre-implementation B/C ratios were calculated consistent with the Department's Total Resource Cost method.

DTE 1-10 Please refer to the 2003 Plan at II, Table 3. The values in the "Total" column in lines 5 and 15 labeled "% of Outsourced Activities Competitively Procured" under the "Residential Programs" and "Commercial & Industrial Programs" do not appear to add across correctly. Please confirm that this is the case and provide the corrected values.

DTE 1-11 Please refer to the 2003 Plan at I, Table 3, and Appendix A, at A-1, A-2. Please confirm that the headings in the tables that reference "Residential Programs" are non-low income residential programs.

DTE 1-12 Please refer to the 2003 Plan at VI-1.

a. Provide the average yields of the three-month United States Treasury bills issued during calendar years 2000, 2001, and 2002 respectively. See, Guidelines at § 5.3.

b. Provide the Company's actual incentive claimed for each year beginning with 1998 (I) in dollars; (ii) as a percentage of the program budget (on a comparable basis with the 2003 incentive proposal); and (iii) as a percentage of the design performance level incentive target.

c. Provide what the Company's incentive would have been for each year beginning with 1998 if the achievements were as claimed, but the incentive structure the Company has proposed for 2003 were in place, expressed in (I) dollars and (ii) a percentage of the program budget.